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IAC-D-100/16
11 July 1956

INTELLIGENCE ADVISORY COMMITTEE

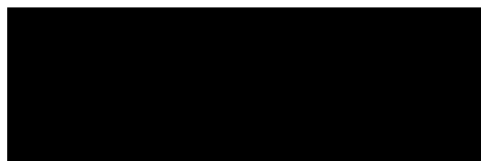
Validity Study of NIE 22-55:

Probable Developments in France,

published 29 March 1955

The attached validity study of NIE 22-55, "Probable Developments in France," published 29 March 1955, was noted by the IAC on 10 July 1956 (IAC-M-246, 10 July, item 5 c).

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Secretary

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NIE 22-55 proved invalid in these respects:

a. The estimate failed to appreciate the divisive forces among the moderate parties that caused them to split into center-left and center-right alignments in the 1956 elections. This in large measure was responsible for the 50 percent increase in Communist seats in the new Assembly, even though the same electoral law applied in 1956 as in 1951 and the popular vote for the Communists was, as estimated, almost the same as in 1951. (See paras. 2, 25, and 21 with footnote.)

b. The impression given by the estimate was that the Communists would remain in a greater degree of political isolation than has in fact proved to be the case. (Paras. 4, 30)

c. As was also the case in earlier estimates, NIE 22-55 has thus far proved distinctly pessimistic on the prospects for French economic growth. Thus, it was estimated in paragraph 38 that ". . . French economic growth over the next four years is likely to be about equal to that in 1950-1954. . . GNP is likely to rise by almost three percent annually, and industrial production may increase by almost four percent. . . ." Actually, GNP increased in 1955 by 6.3 percent while industrial production increased by 10 percent. Although the 1956 rate of increase is not likely to be as high as the 1955 rate, it will probably substantially exceed the average annual figures given in NIE 22-55.

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d. The estimate was overly pessimistic regarding the outlook for French support of further supranational European institutions. (Paras. 62-63)

e. NIE 22-55 overestimated the determination of the French to remain in Tunisia and Morocco and to use force in order to retain privileges. (Para. 66)

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